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Information Required of Brokers and Dealers Pursuant to Section 17(b) of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder 415

REPORT FOR THE PERIOD BEGINNING 1/01/2016 AND ENDING 12/31/16
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: East Wind Securities, LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

135 West 50th Street, 19th floor

(No. and Street)

New York
(City)

NY
(State)

10020
(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Steven Singer

561-784-8922

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Tabriztchi & Co., CPA. P.C.

(Name - if individual, state last, first, middle name)

4102 31st Ave, Ste. A
(Address)

Astoria
(City)

NY
(State)

11103
(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant
☐ Public Accountant
☐ Accountant not resident in the United States or any of its possessions

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17 a-5(e) (2)

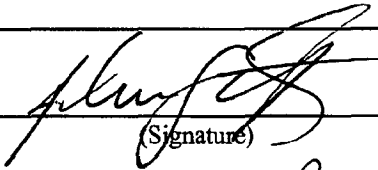
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OATH OR AFFIRMATION

I, Joshua Schwartz, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of East Wind Securities, LLC, as of December 31, 2016, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

No exceptions


(Signature)
Managing Partner
(Title)

Jefferson E Aviles 02/28/17
(Notary Public)
JEFFERSON E AVILES
Notary Public, State of New York
No. 01AV6339820
Qualified in Bronx County
My Commission Expires 04/04/2020

This report ** contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition. (Cash Flows)
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☐ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

** For conditions of confidential treatment of certain portions of this filing. See section 240.17a-5(e)(3).

**EAST WIND SECURITIES, LLC
FINANCIAL STATEMENT
DECEMBER 31, 2016
AND INDEPENDENT AUDITORS' REPORTS THEREON
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TABRIZTCHI & CO., CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Members of
AICPA

Registered with
PCAOB

To the Member
East Wind Securities, LLC
New York, NY

We have audited the accompanying statement of financial condition of East Wind Securities, LLC as of December 31, 2016, and the related notes to the financial statements. This financial statement is the responsibility of East Wind Securities, LLC's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial position. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial position presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of East Wind Securities, LLC as of December 31, 2016, in accordance with accounting principles generally accepted in the United States of America.

TABRIZTCHI & CO., CPA, P.C.

Astoria, New York
February 27, 2017

EAST WIND SECURITIES, LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2016

Assets		
Cash	\$	248,076
Prepaid expense and other assets		13,524
Accounts receivable		171,516
Equity based instrument - warrants		<u>147,113</u>
 Total assets	 \$	 <u><u>580,229</u></u>
 Liabilities		
Accounts payable and accrued expenses	\$	156,844
Due to affiliate		<u>56,528</u>
 Total liabilities		 213,372
 Member's equity		 477,863
Accumulated other comprehensive loss		<u>(111,006)</u>
 Member equity		 <u>366,857</u>
 Total liabilities and member's equity	 \$	 <u><u>580,229</u></u>

The accompanying notes are an integral part of the financial statement.

NOTE 1 -NATURE OF BUSINESS

Organization

East Wind Securities, LLC (the "Company"), was formed in New York in April 2008. It operates as a registered broker-dealer under the Securities and Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Company principally provides financial advisory services to US (or foreign) based companies, including mergers and acquisition related services. The Company also acts as placement agent for equity and debt private placements on behalf of its clients. On July 6, 2015, FINRA approved assignment of 100% ownership interests of East Wind Securities LLC to its affiliate, East Wind Holdings, LLC.

NOTE 2 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

Management is required to make estimates and assumptions to prepare financial statements in conformity with U.S. generally accepted accounting principles ("GAAP"). Management's estimates and assumptions materially affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents are stated at market value. Cash equivalents include only securities having a maturity of three months or less at the time of purchase. The Company maintains its cash balances at one financial institution. These balances are insured by the Federal Deposit Insurance Corporation subject to certain limitations.

Income Taxes

The Company is not a taxpaying entity for income tax purposes and, accordingly, no provision has been made for income taxes. All profits and losses of the Company pass through to the sole member.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. "the exit price") in an orderly transaction between market participants at the measurement date. In determining fair value, the Company uses various valuation approaches, including quoted market prices and discounted cash flows. The established hierarchy for inputs used, in measuring fair value, maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when

available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from independent sources. Unobservable inputs are inputs that reflect a company's judgment concerning the assumptions that market participants would use in pricing the asset or liability developed based on the best information available under the circumstances. The fair value hierarchy is broken down into three levels based on the reliability of inputs as follows:

- Level 1 – Valuations based on quoted prices in active markets for identical instruments that the Company is able to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.
- Level 2 – Valuations based on quoted prices in active markets for instruments that are similar, or quoted prices in markets that are not active for identical or similar instruments, and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement, which utilize the Company's estimates and assumptions.

If the volume and level of activity for an asset or liability have significantly decreased, the Company will still evaluate the fair value estimate as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions.

The following table sets forth the fair value of our financial assets that were measured on a recurring basis as of December 31, 2016:

	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 248,076	-	
Securities available for sale			\$ 147,113

Derivative Assets- Equity Warrant Assets

In connection with its investment advisory services, from time to time, the Company has obtained equity warrant assets giving it the right to acquire stock in primarily private companies in the educational technology industry. The equity warrant assets entitle the Company to buy a specific number of shares of stock at a specific price within a specific time period. The warrant agreements typically contain net share settlement provisions, which permit the Company to receive at exercise a share count equal to the intrinsic value of the warrant divided by the share price (otherwise known as a "cashless" exercise).

The warrants are classified as securities held for sale and the unrealized gains and losses resulting from changes in the fair value, are reflected in Other Comprehensive until they are realized (sold).

The fair value the equity warrant assets received for services, as of December 31 2016, is estimated using the Binomial option pricing model, which incorporates the following significant inputs:

- An underlying asset value which is estimated based on current information available, including any information regarding subsequent rounds of funding for the entity issuing the warrant.
- A contractually determined strike price.
- A volatility assumption which is based on average historical price volatility of publicly traded index similar in nature to the underlying client companies issuing the warrant. The estimated average volatilities ranged from 16.93% to 21.92%.
- A term of exercise which equals the Company's expected holding period and is utilized as the basis for determining the expected remaining life of the equity warrant assets. Equity warrant assets may be exercised in the event of acquisitions, mergers or IPOs, and cancelled due to events such as bankruptcies, restructuring activities or additional financings. These events may cause the expected remaining life assumption to be shorter than the contractual term of the warrants. The terms of the equity asset warrants ranged from .5 to 5.5 years. A risk-free interest rate which is derived from the Treasury yield curve and is calculated based on the risk-free interest rates that correspond closest to the expected remaining life of the warrant. The risk-free interest rates used for the equity warrant assets portfolio valuation ranged from .63% and 2.09% US Treasury Notes, respectively based on exercise terms.

The aggregate carrying amount of equity warrant assets was \$147,113, on December 31, 2016. There were no identified events or changes in circumstances that may have a significant adverse effect on the fair value of the investment and the Company is exempt from estimating interim fair values because it does not a publicly traded company.

NOTE 3 – CASH

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2016, the Company did not have balances in excess of insured limits. The Company has not experienced any losses in such accounts. The carrying value of cash at December 31, 2016 was \$248,076. The cash balance at banking institutions at December 31, 2016 was \$270,995.

NOTE 4 – ACCOUNTS RECEIVABLE

Trade accounts receivable are stated at the amount the Company expects to collect. The allowances for doubtful accounts are maintained for estimated losses resulting from the inability of its customers to make required payments. We consider the following factors when determining the collectability of specific customer accounts: customer credit-worthiness, past transaction history with the customer, current economic industry trends, and changes in

customer payment terms. Due to the nature of the accounts receivable balance, we believe the risk of doubtful accounts is minimal. If the financial condition of our customers were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. We provide for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after we have used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. We recorded no material bad debt expense in each of the last three years. The allowance for doubtful accounts was zero, at December 31, 2016.

NOTE 5 –RELATED PARTY TRANSACTIONS

Expense Sharing Agreement

The Company has an “*Expense Sharing Agreement*” (“the Agreement”) with East Wind Advisors, LLC (“East Wind Advisors”), a New York limited liability company, and related entity. Under the Agreement, the Company agreed to pay East Wind Advisors, LLC monthly for rent and related expenses and certain other operating expenses.

As of December 31, 2016, the Company owed East Wind Advisors \$56,528 under the Agreement, inclusive of additional allocations of year-end compensation and related expenses.

NOTE 6 – NET CAPITAL REQUIREMENTS

As a registered broker-dealer, the Company is subject to the Uniform Net Capital Rule of the Securities and Exchange Commission, which requires that “Net Capital”, as defined, shall be at least the greater of \$5,000 or 6-2/3% of “Aggregate Indebtedness”, as defined. At December 31, 2016, the Company's “Net Capital” was \$34,704 which exceeded requirements by \$20,472. The ratio of “Aggregate Indebtedness” to “Net Capital” was 6.15 to 1 at December 31, 2016.

NOTE 7 – SUBSEQUENT EVENTS

Management had considered subsequent events through February 27, 2017; the date financial statements were available to be issued. During this period there have been no events that would require recognition or disclosure in the financial statement.